

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☒ GAS ☐ OTHER:

2. Name of Operator:

Kenneth Pixley

3. Address and Telephone Number:

Rt. 1, Box 132 Altus, OK 73521 (580) 482-4082

4. Location of Well 08N 07W 8; 08N 07W 17

Footages:

QQ, Sec., T., R., M.:

5. Lease Designation and Serial Number:

N7570

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

9. API Well Number:

10. Field and Pool, or Wildcat:

Rozel Point

County: Box Elder

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other See Below | |

Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

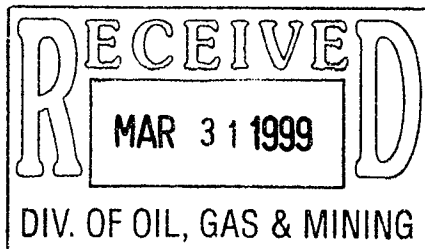
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

43-003-15583
43-003-15584
43-003-15586
43-003-20033
43-003-30024
43-003-30025

These wells were plugged by E.P.A.

There was no danger to fresh water -- they are covered by approximately 3' of salt water.

We plan to reopen these wells in the near future. The timing is to be determined by the control of water in the Great Salt Lake.



COPY SENT TO OPERATOR

Date: 5-20-99
Initials: CHD

13.

Name & Signature:

Kenneth Pixley

Title:

President

Date:

3-26-99

(This space for State use only)

Per Edie Trimmer C Forestry, Fire, & State Lands; Assignment of Pixley's lease to new operator is pending bonding. They have no bond. Accepted by the Utah Division of Oil, Gas and Mining. Edie to notify us if new lease holder posts bonds. Otherwise, this may need to go to Board. for plugging order.

(See Instructions on Reverse Side)

Date: 5-19-99

By: *RJK*

OPERATOR KENNETH PIXLEY
ADDRESS _____

OPERATOR ACCT. NO. N 7570

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					Q0	SC	TP	RG			
A	99999	11494	43-003-30024	C.D.I. #1	NESE	8	8N	7W	BOX ELDER	6-21-82	7-22-93
WELL 1 COMMENTS: *STAT FR DRL TO TA.											
A	99999	11495	43-003-30025	C.D.I. #2	NWNE	17	8N	7W	BOX ELDER	6-21-82	7-22-93
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)
A - Establish new entity for new well (single well only)
B - Add new well to existing entity (group or unit well)
C - Re-assign well from one existing entity to another existing entity
D - Re-assign well from one existing entity to a new entity
E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

L. CORDOVA (DOGM)
Signature
ADMIN. ANALYST
Title
Date 7-22-93
Phone No. ()

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____☐ Suspense☒ Other

(Return Date) _____

(To - Initials) _____

Operator File

Well Files

CDE 1 & 2

(Location) Sec _____ Twp _____ Rng _____

(API No.) _____

1. Date of Phone Call: 7-22-93 : Time: 8:302. DOGM Employee (name) J. Cordova (Initiated Call ☒)
Talked to:Name Becky (Initiated Call ☐) - Phone No. () X5476of (Company/Organization) St. Lande & Forestry3. Topic of Conversation: ML-32317 cancelled 1986."Gr. Salt Lake Exploration", Lease (No Bond)

4. Highlights of Conversation: _____

No new lease issued.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> Other _____				5. LEASE DESIGNATION AND SERIAL NO. ML-32317	
b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Kenneth Pixley DBA K.P. Enterprises				7. UNIT AGREEMENT NAME Rozel Point	
3. ADDRESS OF OPERATOR 1775 N. Brock S.L.C. Utah 84116				8. FARM OR LEASE NAME C.I.D.I. #1	
4. LOCATION OF WELL (Report location clearly, and in accordance with any State requirements) At surface 1716 S 416 W NE corner of SE 1/4 At top prod. interval reported below 8 sec 8 T&N 7-W. S L B + M At total depth 260' None well capped for Further Evaluation				9. WELL NO. D.D.I. #1	
14. PERMIT NO. _____ DATE ISSUED _____				10. FIELD AND POOL, OR WILDCAT Sec 8 T&N R 7W SUB	
15. DATE SPUNDED 6-82 16. DATE T.D. REACHED 6-82 17. DATE COMPL. (Ready to prod.) _____				11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec 8 T&N R 7W S L B + M	
18. ELEVATIONS (DF, RES, RT, GR, ETC.)* _____				12. COUNTY OR PARISH Box Elder	
19. ELEV. CASINGHEAD _____				13. STATE Utah	
20. TOTAL DEPTH, MD & TVD 263				21. PLUG, BACK T.D., MD & TVD _____	
22. IF MULTIPLE COMPL., HOW MANY* _____				23. INTERVALS DRILLED BY 263	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Little oil show 225-230				25. WAS DIRECTIONAL SURVEY MADE NO	
26. TYPE ELECTRIC AND OTHER LOGS RUN None				27. WAS WELL CORED NO	
28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8"	28.64	130			
10"	34.74	30			
29. LINER RECORD					
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	
	None				
30. TUBING RECORD					
SIZE	DEPTH SET (MD)	PACKER SET (MD)			
31. PERFORATION RECORD (Interval, size and number)					
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.					
DEPTH INTERVAL (MD)			AMOUNT AND KIND OF MATERIAL USED		
None					
33. PRODUCTION					
DATE FIRST PRODUCTION None		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)			WELL STATUS (Producing or shut-in)
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)					TEST WITNESSED BY
35. LIST OF ATTACHMENTS					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED Kenneth Pixley		TITLE opr.		DATE 6-82	

* (See Instructions and Spaces for Additional Data on Reverse Side)

Received 5/20/85⁰⁵
106

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <u>ML-32317</u>
2. NAME OF OPERATOR <u>Kenneth D.B.A. K.P. Enterprises</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME <u>K.P.-2</u>
3. ADDRESS OF OPERATOR <u>1775 N. Beck S.E.C. Utah 84111</u>		7. UNIT AGREEMENT NAME <u>Rozel Point</u>
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface <u>1216' S 4116' W NE corner of</u> <u>SE 1/4 SEC 8 T 8 N 7-W. SLB+M</u>		8. FARM OR LEASE NAME <u>C.D.I. 1</u>
14. PERMIT NO. <u>API 43-003-30074</u>		9. WELL NO. <u>C.D.I. 1</u>
15. ELEVATIONS (Show whether DF, RT, OR, etc.) <u>unknown</u>		10. FIELD AND POOL, OR WILDCAT <u>SEC 8 T 8 N R 7-W</u>
		11. SEC., T., R., M., OR B.L.E. AND SURVEY OR AREA <u>S-8 T 8 N 7-W SLB+M</u>
		12. COUNTY OR PARISH <u>Box Elder</u>
		13. STATE <u>Utah</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☒ABANDON* ☐CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

well has been left until further evaluation

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature]TITLE op.DATE 6-82

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT TRIPPLICATE*
(Other instructions on
reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> 2. NAME OF OPERATOR Kenneth Pixley D.B.A. K.P. Enterprises 3. ADDRESS OF OPERATOR 1775 N. Beck St. Salt Lake City, Utah 84116 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1216' So. & 416' W from NE corner of SE 1/4 Sec. 8, T 8N R 7W, SLB&M 14. PERMIT NO. 43-003-30025		5. LEASE DESIGNATION AND SERIAL NO. M L - 32317 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 7. UNIT AGREEMENT NAME Rozel Point 8. FARM OR LEASE NAME Rozel Point 9. WELL NO. G.D.I. 1 10. FIELD AND POOL, OR WILDCAT Rozel 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 8 T 8N R 7W SLB&M 12. COUNTY OR PARISH 13. STATE Box Elder Utah	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4203 GR			

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON* ☐CHANGE PLANS ☒

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☒ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

RECEIVED

JAN 30 1984

DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED *Walter J. [Signature]*

TITLE _____

DATE _____

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

27
C.D.I.

Construction Drilling International

1775 North Beck Street - Phone (801) 532-1222

Salt Lake City, Utah 84116

March 23, 1983

State of Utah
Natural Resources & Energy
4241 State Office Building
Salt Lake City, Utah 84114

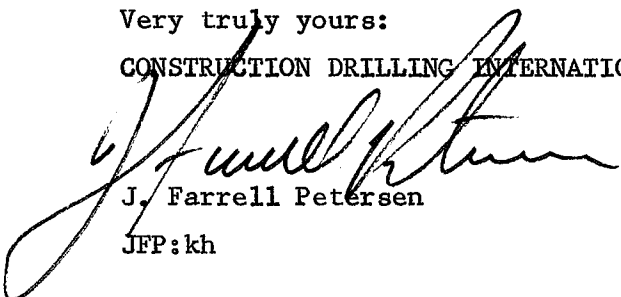
Attention: Cari Furse

Dear Cari:

On June 21, 1982, Mr. Farrell Petersen notified by telephone our intentions to spud both wells number C.D.I. #1 and C.D.I. #2. C.D.I. #1 was TD at 267 feet with no apparent significant hydrocarbon encounter. Thirty feet of conductor casing was set in C.D.I. #2. Since that time the lake level has risen to such an extent we are going to have to change our complete plan of attack. Hopefully some time during the summer of 1983 both of these wells and others can be completed. We do intend on continuing with the project. We will keep you informed of our intentions.

Very truly yours:

CONSTRUCTION DRILLING INTERNATIONAL


J. Farrell Petersen

JFP:kh

Acknowledgment of receipt

Date

RECEIVED
MAR 24 1983

DIVISION OF
OIL GAS & MINES



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

December 27, 1983

Construction Drilling International
1775 North Beck Street
Salt Lake City, Utah 84116

Well No. C.D.I. #1
1424' FSL, 416' FEL NE SE
Sec. 8, T. 8N, R. 7W
Box Elder County, Utah

Well No. C.D.I. #2
104' FNL, 1424' FEL NW NE
Sec. 14, T. 8N, R. 7W.
Box Elder County, Utah

Gentlemen:

In your letter of March 23, 1983 from Mr. J. Farrell Petersen you stated that the above wells were spudded, however, since the time they were spudded the lake level had risen to such an extent that you were going to have to change your complete plan of attack.

In checking our records, we have not received any monthly drilling reports or spudding information on these wells. Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U. S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

We have also received a Notice of Cancellation of your bond #56 0130 12677 82 6 on Well #1 effective October 15, 1983. As long as a well is not plugged and abandoned in accordance with proper procedures, it is mandatory that there be a viable bond. If you wish to continue developing business in the State of Utah, compliance with pertinent rules and regulations is essential.

Thank you for your prompt attention to this matter.

Respectfully,

Claudia Jones

Claudia Jones
Well Records Specialist

CJ/cj
enclosures



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

March 15, 1983

Kenneth Pixley
1775 North Beck Street
Salt Lake City, Utah 84116

Re: Well No. C.D.I. # 1 & 2
Sec. 8 & ~~7~~, T. 8N, R. 7W.
Box Elder County, Utah

17

Gentlemen:

In reference to the above mentioned wells, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill these wells, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill these locations at a later date, please notify as such.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a firm second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Cari Furse

Cari Furse
Well Records Specialist

CF/cf

June 2, 1982

Kenneth Pixley D.B.A. K.P. Enterprises
1775 No. Beck Street
Salt Lake City, Utah 84116

RE: Well No. C.D.I. #1
Sec. 8, T8N, R7W
Box Elder County

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 420-1, dated 2-17-66.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-003-30024.

Sincerely,

DIVISION OF OIL, GAS AND MINING


Ronald J. Firth
Chief Petroleum Engineer

RJF:SC
cc: State Lands
Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

ML-32317

5. Lease Designation and Serial No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil Well ☒Gas Well ☐Other ☒Single Zone ☒Multiple Zone ☐

2. Name of Operator

Kenneth Pixley

D.B.A. K.P. Enterprises

532-1222

3. Address of Operator

1775 No. Beck Street Salt Lake City, Utah 84116

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1216' So. & 416' W from NE corner of SE 1/4 Sec. 8, T 8N,

R 7W, SLB&M
At proposed prod. zone same

1224 FSH 416 FSH NESB

14. Distance in miles and direction from nearest town or post office*

Rozel Point 40 miles S.W. Corrinne, Utah

12. County or Parrish

13. State

Box Elder

Utah

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. line, if any)

16. No. of acres in lease

1800 +/-

17. No. of acres assigned
to this well

1

18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

104 ft.

19. Proposed depth

260 ft.

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

4203 GR

22. Approx. date work will start*

4-25-82

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
8"	8"	22.36	100 ft. +/-	0

1. Drill hole and set 30 ft. of 10" 28.04 lb. surface casing which will not be cemented.
2. Drill hole and set 8" casing into basalt bedrock 110 ft. - 150 ft. +/-
3. Drill hole to total depth, bottom of zone approximately 260 ft. leaving open hole without casing into bedrock.
4. Oil is dense asphalt and contains no gas pressure, blowout preventer will not be used.

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 5/28/82
BY: [Signature]

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

[Signature]

Title

Date

(This space for Federal or State office use)

Permit No.

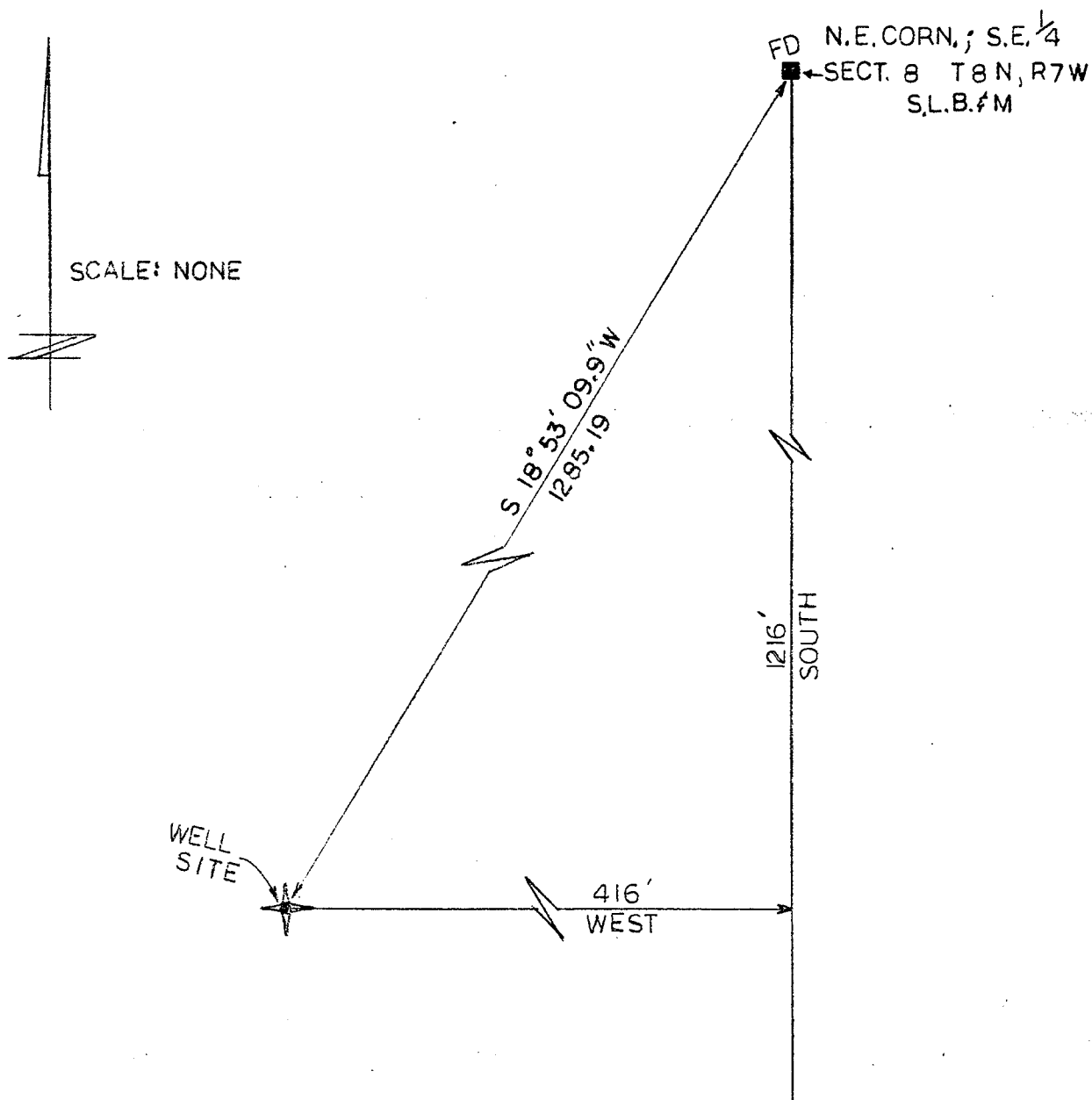
Approval Date

Approved by

Title

Date

Conditions of approval, if any:



SURVEYOR'S CERTIFICATE

I, Wallace C. France, do hereby certify that I am a Registered Land Surveyor, and that I hold Certificate No. 4096 as prescribed by the Laws of the State of Utah, and I have made a survey to the following point:

A well site being located 1216 feet South and 416 feet West from the Northeast corner of the Southeast quarter of Section 8, Township 8 North, Range 7 West, Salt Lake Base and Meridian.

I further certify that the above plat correctly shows the dimensions of the point located.

May 20, 1982
 Date

Wallace C. France
 Certificate No. 4096



December 28, 1981

K. P. Enterprises
Drawer 0
Altus, Oklahoma, 73521

Gentlemen;

Great Salt Lake Exploration Company is the owner of that certain Oil and Gas Lease in the State of Utah covering certain land in Township 8, North, Range 7 West, Salt Lake Meridian, Box Elder County, Utah, recorded in Book _____, Page _____, of records of Box Elder County, Utah, to which reference is hereby made for this and all other purposes.

If you will commence on or before March 30, 1982, the drilling of the well to be located on our lands in Section 8 and prosecute the drilling of the same with due diligence to a depth sufficient to produce, and if you complete the same within a reasonable time not later than sixty (60) days from date of commencement, we agree to assign to you without warranty in law or in equity the above described lease insofar as it covers the forty (40) acres surrounding the drill site in Section 8 subject, however, to the following conditions and obligations, to wit:

1. In any assignment issued under the terms hereof, we shall reserve and retain all the oil and gas rights in the above described lease or any modifications, renewals or extensions thereof below the drill point of your well or wells. Your drill point shall not exceed 3,500 feet in depth. We shall reserve all rights below drill point.

2. If you fail to begin actual drilling of a well upon the above described tract in the manner and in the time limit herein set forth or having begun the same within said time fail to complete the well with due reasonable diligence within the time limit herein set out, this Agreement, at our option, may be terminated.

3. We are not to deliver to you an assignment of said leases to the acreage hereinabove described until you shall have completed the wells herein provided. In said assignment, we shall reserve and retain a free overriding royalty of 1/16th of all the oil and gas, condensate gas and distillate and other hydrocarbons which may be produced from said premises under and by virtue of the lease above described or any modification, renewals or extensions thereof which override shall be convertible at our election at any time to a twenty-five percent (25%) working interest.

4. This Agreement is made with the understanding that we shall always have freedom of the derrick floor and you will furnish to us all information pertaining to the well or wells drilled hereunder, including cores and cuttings and shall notify us both as to spudding of any well and abandonment of any well prior to abandonment.

5. You agree to drill a second well by May 1, 1982, under the same terms and conditions described above and shall earn forty (40) acres around second well to drill point, not to exceed 3,500 feet, subject to the same agreement regarding override and working interest as specified above.

6. You further agree to drill two wells in each additional year earning forty (40) acres around each well you drill and produce, subject to the same terms and conditions hereinabove specified, with our retaining the same override convertible to a working interest at our election at any time as specified above.

7. The price of the oil shall be determined as follows: The same as State of Utah for Royalty.

8. We reserve the right of ingress and egress at all times on all acreage assigned to you, to enable us to drill and produce on the acreage assigned to you but below the depth to which you have drilled and are producing.

9. This agreement is personal and cannot be assigned unless consent of lessor is first obtained in writing.

10. All notices or any requests made under the terms hereof including authority to plug and abandon shall be given to or made by Jack Crichton of Dallas Resources, Inc., lessors designated representative.

This letter is in triplicate and is not binding upon either party hereto until accepted by the other and two signed copies are returned to us within ten (10) days from date hereof. Upon receipt of the two signed copies by us within ten (10) days, this letter will constitute a valid and binding contract between us and K P Enterprises.

GREAT SALT LAKE EXPLORATION COMPANY

by: Jack Crichton
Jack Crichton
Its Attorney in Fact

The foregoing is accepted and all its terms and conditions this _____
day of _____, 198/.

K P ENTERPRISES

By: [Signature]
Its President
K P Enterprises

P. O. Drawer "O"
Altus, Oklahoma, 73521
March 20, 1982

Mr. Jack Crichton
10830 N. Central Expressway
Suite #175, Central Square
Dallas, Texas

Dear Mr. Crichton;

In regard to our telephone conversation last week I am sending you this letter asking for an extension of thirty (30) days of our agreement to drill a well on the lease in Box Elder County. This agreement will end March 31, 1982, and are asking for an extension until April 30, 1982.

Due to adverse weather conditions in Utah this winter we have been unable to drill in the location we had wanted, and feel that this extension is necessary to benefit all parties involved.

Please find enclosed a copy of this letter for your signature and return the original letter signed as soon as possible.

Sincerely yours,

K-P Enterprises

Kenneth C. Pixley
Kenneth C. Pixley

Jack Crichton
Jack Crichton

for Coal Salt Exploration Co.

KCP/rfp

Encl. 1

P. O. Drawer "O"
Altus, Oklahoma, 73521
April 25, 1982

The Great Salt Lake Exploration Co.
10830 E. Central Expressway
Suite 5175
Dallas, Texas, 75231

ATTENTION: Mr. Jack Crichton

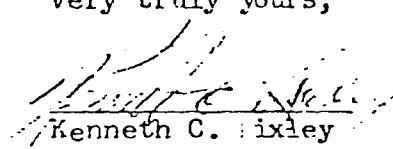
Dear Mr. Crichton;

As per recent telephone conversation concerning the weather conditions on our roads being built in the Great Salt Lake area, we are in need of another thirty (30) days extension. Will you please sign and return this letter as our agreement for our files?

We now have our permit and have made arrangements with the drilling company to drill the well. We have also started hauling in materials on our roadway.

We will keep you informed as we progress on the above.

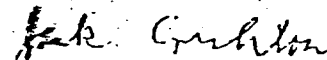
Very truly yours,


Kenneth C. Sibley

ACP/rfz

The foregoing is accepted and all its terms and conditions this 3rd

day of May, 1982


Jack Crichton

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

MICROFICHE

B C N D

KNOW ALL MEN BY THESE PRESENTS,

That
WE: Kenneth Pixley, dba K.P. Enterprises

of 1775 N. Beck Street
County of Salt Lake City in the State of: Utah

as principal
and UNITED STATES FIDELITY AND GUARANTY COMPANY

as surety, authorized to do business in this State, are held and firmly bound unto the State in the penal sum as indicated, lawful money of the United States, for which Payment, will and truly be made to the State of Utah for the use and benefit of the Division of Oil, Gas and Mining, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation is that whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State of Utah, to wit:

1

Drilling Permit Bond: 1216' S. & 416' W from NE corner of SE 1/4 Sec. 8
t8N, R7W, S1B&M, Elder County, Utah

NOW THEREFORE, if the above bounden principal shall comply with all of the provisions of the laws of this State, and the rules and regulations and orders of the Division of Oil, Gas and Mining of the State, including, but not limited to, the proper plugging of said well or wells, and filing with said Division of the State, all notices and records required by said office, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

*Penal Sum of Five Thousand and no/100--(\$ 5,000) State of Utah

Witness our hands and seals, this 13th day of August, 1982

K.P. Enterprises
Kenneth Pixley
Kenneth Pixley Principal

Witness our hands and seals, this 3th day of August, 1982

UNITED STATES FIDELITY AND GUARANTY COMPANY

Linda Arent
Linda Arent Surety Attorney-in-Fact

Approved as to form and execution:
ATTORNEY GENERAL

By: _____
Date: _____

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany this bond.)

*See reverse side for instructions and bonding requirements

CERTIFIED COPY

GENERAL POWER OF ATTORNEY

No. 90670

Know all Men by these Presents:

That UNITED STATES FIDELITY AND GUARANTY COMPANY, a corporation organized and existing under the laws of the State of Maryland, and having its principal office at the City of Baltimore, in the State of Maryland, does hereby constitute and appoint

Linda Avent

of the City of Oklahoma City, State of Oklahoma,
its true and lawful attorney ~~and for the State xxx~~

for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said UNITED STATES FIDELITY AND GUARANTY COMPANY, through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said

Linda Avent

may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said UNITED STATES FIDELITY AND GUARANTY COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its Vice-President and Assistant Secretary, this 20th day of June, A. D. 1980

UNITED STATES FIDELITY AND GUARANTY COMPANY.

(Signed) By James D. Rector
Vice-President.

(SEAL) (Signed) William J. Phelan
Assistant Secretary.

STATE OF MARYLAND, }
BALTIMORE CITY, } ss:

On this 20th day of June, A. D. 19 80 before me personally came James D. Rector, Vice-President of the UNITED STATES FIDELITY AND GUARANTY COMPANY and William J. Phelan, Assistant Secretary of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said that they, the said James D. Rector and William J. Phelan were respectively the Vice-President and the Assistant Secretary of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as Vice-President and Assistant Secretary, respectively, of the Company.

My commission expires the first day in July, A. D. 19 82....

(SEAL) (Signed) Margaret M. Hurst
Notary Public.

STATE OF MARYLAND }
BALTIMORE CITY, } Sgt.

I, William Allen, Clerk of the Superior Court of Baltimore City, which Court is a Court of Record, and has a seal, do hereby certify that Margaret M. Hurst, Esquire, before whom the annexed affidavits were made, and who has thereto subscribed his name, was at the time of so doing a Notary Public of the State of Maryland, in and for the City of Baltimore, duly commissioned and sworn and authorized by law to administer oaths and take acknowledgments, or proof of deeds to be recorded therein. I further certify that I am acquainted with the handwriting of the said Notary, and verily believe the signature to be his genuine signature.

In Testimony Whereof, I hereto set my hand and affix the seal of the Superior Court of Baltimore City, the same being a Court of Record, this 20th day of June, A. D. 19 80

(SEAL) (Signed) William Allen
Clerk of the Superior Court of Baltimore City.

COPY OF RESOLUTION

That Whereas, it is necessary for the effectual transaction of business that this Company appoint agents and attorneys with power and authority to act for it and in its name in States other than Maryland, and in the Territories of the United States and in the Provinces of the Dominion of Canada and in the Colony of Newfoundland.

Therefore, be it Resolved, that this Company do, and it hereby does, authorize and empower its President or either of its Vice-Presidents in conjunction with its Secretary or one of its Assistant Secretaries, under its corporate seal, to appoint any person or persons as attorney or attorneys-in-fact, or agent or agents of said Company, in its name and as its act, to execute and deliver any and all contracts guaranteeing the fidelity of persons holding positions of public or private trust, guaranteeing the performances of contracts other than insurance policies and executing or guaranteeing bonds and undertakings, required or permitted in all actions or proceedings, or by law allowed, and

Also, in its name and as its attorney or attorneys-in-fact, or agent or agents to execute and guarantee the conditions of any and all bonds, recognizances, obligations, stipulations, undertakings or anything in the nature of either of the same, which are or may by law, municipal or otherwise, or by any Statute of the United States or of any State or Territory of the United States or of the Provinces of the Dominion of Canada or of the Colony of Newfoundland, or by the rules, regulations, orders, customs, practice or discretion of any board, body, organization, office or officer, local, municipal or otherwise, be allowed, required or permitted to be executed, made, taken, given, tendered, accepted, filed or recorded for the security or protection of, by or for any person or persons, corporation, body, office, interest, municipality or other association or organization whatsoever, in any and all capacities whatsoever, conditioned for the doing or not doing of anything or any conditions which may be provided for in any such bond, recognizance, obligation, stipulation, or undertaking, or anything in the nature of either of the same.

I, George W. Lennon, Jr., an Assistant Secretary of the UNITED STATES FIDELITY AND GUARANTY COMPANY, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney given by said Company to

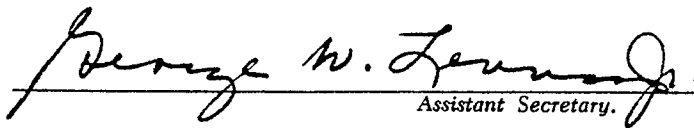
Linda Avent

of Oklahoma City, Oklahoma, authorizing and empowering her to sign bonds as therein set forth, which power of attorney has never been revoked and is still in full force and effect.

And I do further certify that said Power of Attorney was given in pursuance of a resolution adopted at a regular meeting of the Board of Directors of said Company, duly called and held at the office of the Company in the City of Baltimore, on the 11th day of July, 1910, at which meeting a quorum of the Board of Directors was present, and that the foregoing is a true and correct copy of said resolution, and the whole thereof as recorded in the minutes of said meeting.

In Testimony Whereof, I have hereunto set my hand and the seal of the UNITED STATES FIDELITY AND GUARANTY COMPANY on

(Date) August 13, 1982


Assistant Secretary.